

**TILAK MAHARASHTRA VIDYAPEETH, PUNE**  
**BACHELOR OF COMMERCE (B.COM.)**  
**EXAMINATION- DECEMBER 2023**  
**FIFTH SEMESTER**

**Sub.: Cost and Work Accounting - III (BCOM19-304C / BCWA-503)**

**Date: 09/12/2023**

**Total Marks: 60**

**Time: 10.00 am to 12.30 pm**

**Instructions:** 1) All questions are compulsory. 2) Figures to the right indicate full marks.

**Q. 1 (a) Fill in the blanks (Any 5)**

**(05)**

1. The cost which remains fixed irrespective of level output is known as.....
  - a) Fixed Cost
  - b) Variable Cost
  - c) Semi Variable Cost
  - d) None of them
2. ....per unit is difference between the selling price of a unit of product or service and its marginal cost.
  - a) Contribution
  - b) Profit Volume Ratio
  - c) Break Even Point
  - d) Margin of Safety
3. A .....is plan for some specific future period.
  - a) Standard Cost
  - b) Budgeting
  - c) Budget
  - d) None of them
4. The objective of ..... is to secure for optimum working capital.
  - a) Flexible Budget
  - b) Cash Budget
  - c) Zero Based Budgeting
  - d) None of Them
5. The scheme of .....involves voluntary pooling of information by participating firms, through a representative body
  - a) Inter- Firm comparison
  - b) Intra-Firm comparison
  - c) Budgetary Control
  - d) Marginal costing
6. ....are predetermined costs of a product under present or anticipated future conditions.
  - a) Standard cost
  - b) Fixed cost
  - c) Actual cost
  - d) Variable cost
7. ....can also reveals the fraudulent intentions of the management.
  - a) Internal audit
  - b) Interim audit
  - c) External audit
  - d) Cost audit

**Q. 1 (b) State whether the following statement are true or false (any 5)**

**(5)**

- 1 At break-even point equals fixed cost.
- 2 Direct material cost is variable cost.
- 3 The cash budget is tool of financing planning.
- 4 Uniform costing serves as a basis of competitive but non destructive bidding.
- 5 Standard costing is time consuming and costly.
- 6 Target costing provides a cross functional communication language for the product optimization.
- 7 The objective of cost audit is to verify the arithmetical accuracy of cost accountancy entries in the books of accounts.

**Q. 2 a)** From the following information find out **(20)**

P/V ratio  
Break-even point  
Margin of safety  
Profit made when sales are Rs.4,00,000/-

Sales                                      Rs. 3,00,000  
Variable cost                              Rs. 2,40,000  
Fixed cost                                      Rs. 30,000

**OR**

**Q. 2 b)** What is meant by marginal costing? Explain concept of marginal cost, fixed cost and variable cost in detail.

**Q. 3 a)** From the following information find out **(10)**

- 1) P/V ratio
- 2) Break- even point
- 3) The profit made when sales are Rs- 500,000

Sales                                      = Rs- 400,000  
Variable costs  
Direct material Rs- 150,000  
Direct labour    Rs- 75000  
Variable overheads Rs- 75000

Fixed cost                      Rs- 30000

**Q. 3 b)** **Write short notes. (Any 2)** **(05)**

- 1 Advantages of standard costing
- 2 Features of target costing
- 3 Meaning and limitations of inter-firm comparison.
- 4 Break Even Point

**Q. 4 a)** The sales turnover and profits of Sukanya Ltd. are as under: **(15)**

Period	Sales (Rs)	Profit (Rs)
I	1,20,000	9,000
II	1,40,000	13,000

You are required to calculate:-

- 1) P/V ratio
- 2) Fixed cost
- 3) Break- even point
- 4) Sales to earn a profit of Rs- 20,000
- 5) Profit when sales Rs- 1,00,000

**OR**

**Q.4 b)** What is meant by uniform costing? Explain advantages and limitations in detail.